

State of California  
BOARD OF EQUALIZATION

**SALES AND USE TAX REGULATIONS**

**Regulation 1704. WHOLE DOLLAR REPORTING — COMPUTATIONS ON RETURNS OR OTHER DOCUMENTS.**

*Reference:* Sections 6452, 6453, 6471, 7055, Revenue and Taxation Code.

**(a) GENERAL.** Any amount required to be reported or shown on any form filed with the board, including any return, statement, supporting schedule, or other document, may be entered at the nearest whole dollar amount. For the purpose of the computation to the nearest whole dollar, a fractional part of a dollar shall be disregarded unless it amounts to one-half dollar (\$0.50) or more, in which case the amount shall be increased to the next whole dollar.

**(b) ELECTION TO USE WHOLE DOLLAR AMOUNTS.** The election to report using whole dollar amounts must be made at the time of filing the return statement or other document. The election is irrevocable as to that return, statement or other document. However, a new election may be made on the return, statement, or other document filed for a subsequent reporting period.

**(c) COMPUTATION OF AMOUNT TO BE REPORTED OR SHOWN.** The provisions of paragraph (a) of this regulation apply only to cumulative amounts required to be reported or shown on a return, statement, or other document. The total amount to be reported at the nearest whole dollar must be computed from the aggregate sum of the individual items which include cents.

**(d) COMPUTATION OF INTEREST AND PENALTIES.** If a return, statement, or other document is not filed, or the tax due is not paid, within the time required by law, the computation of any interest and penalty due shall be made from the amount of tax due, computed as provided in this regulation. If the interest and penalty is entered on the return, statement or other document, it may be entered at the nearest whole dollar amount. If the interest and penalty is computed and billed by the board, the billing will be issued showing the full amount due, including cents.

*History:* Adopted August 19, 1987, effective November 8, 1987. Regulation 1704 provides that amounts shown on returns, statements, or other documents filed with the Board of Equalization may be entered at the nearest whole dollar. In subdivision (a), added provision that provides that any amount required to be reported or shown on any form filed with the Board may be entered at the nearest whole dollar amount. Subdivision (a) also explains the correct method for computation to the nearest whole dollar. In subdivision (b), added explanation that the person filing a document with the Board may elect to use whole dollar amounts and that the election is irrevocable as to that return. In subdivision (c), added clarification that in computing the amounts required to be reported or shown on the return, statement, or other document, each individual item must be taken into account at its exact amount, including cents. It is the final amount which is to be reported at the nearest whole dollar on the return, statement or other document. In subdivision (d), added explanation that interest and penalties reported on the return, statement or other documents may be entered at the nearest whole dollar amount. If these amounts are billed by the Board, however, the billing will show the full amount due, including cents.

*Regulations are issued by the State Board of Equalization to implement, interpret or make specific provisions of the California Sales and Use Tax Law and to aid in the administration and enforcement of that law. If you are in doubt about how the Sales and Use Tax Law applies to your specific activity or transaction, you should write the nearest State Board of Equalization office. Requests for advice regarding a specific activity or transaction should be in writing and should fully describe the facts and circumstances of the activity or transaction.*